

Annual meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO
Thursday, Feb. 27, 2025

Attendance

Board members

Representing Estes Park: Mayor Gary Hall and Reuben Bergsten¹

Representing Fort Collins: Mayor Jeni Arndt and Tyler Marr

Representing Longmont: Mayor Joan Peck and Darrell Hahn

Representing Loveland: Mayor Jacki Marsh and Sharon Israel

Platte River staff

Jason Frisbie (general manager/CEO)

Sarah Leonard (general counsel)

Dave Smalley (chief financial officer and deputy general manager)

Melie Vincent (chief power supply officer)

Mark Weiss (chief technology officer)

Travis Hunter (chief generation and transmission officer)

Angela Walsh (executive director of board and administration, board secretary)

Kylie Kwiatt (executive assistant)

Josh Pinsky (IT service desk technician II)

Jeremy Clark (director, power markets)

Shelley Nywall (director, finance)

Libby Clark (director, human resources and safety)

Kendal Perez (senior manager, communications, community relations and public education)

Maia Jackson (senior communications and marketing specialist)

Javier Camacho (senior manager, external affairs)

Guests

None

Call to order

Vice chair Arndt called the meeting to order at 9:00 a.m. A quorum of board members was present via roll call. The meeting, having been duly convened, proceeded with the business on the agenda.

Vice chair Arndt welcomed Sharon Israel, utilities director with the City of Loveland, to the Platte River board. Director Israel provided a summary of her background and her appreciation for being appointed to the board. Jason Frisbie, general manager and chief executive officer,

¹ Attended via Zoom Webinar

welcomed Mark Weiss, chief technology officer, who started at Platte River in January. Mr. Weiss summarized his background in the technology industry.

Action items

1. Consent agenda

- a. Approval of the regular meeting minutes of Dec. 12, 2024
- b. Incorporation into record of Resolution 13-24: 2025 board of directors regular meeting schedule
- c. Transfer of 2024 capital budget carryover to 2025 Strategic Budget
- d. Direct community support policy with Resolution 01-25

Director Marsh moved to approve the consent agenda as presented. Director Peck seconded. The motion carried 8-0.

Public comment

Vice chair Arndt opened the general public comment section by reading instructions, noting that time to accommodate each speaker would be divided equitably among in-person members of the public and callers wishing to speak at the start of public comment, but limited to a maximum of three minutes per speaker. One member of the public addressed the board.

Annual meeting

2. Platte River Power Authority annual meeting

a. Annual election of officers

Chair Bergsten stated who the present elected officers are:

- Kevin Gertig, chair – with retirement was vacant
- Jeni Arndt, vice chair
- Angela Walsh, secretary
- Sarah Leonard, assistant secretary
- Dave Smalley, treasurer
- Jason Frisbie, general manager and chief executive officer

Vice chair Arndt reminded the directors that officers serve for one year and are elected by resolution. The term begins at the conclusion of this meeting. If the board receives multiple nominations for any office, a roll call vote will be called for each office separately. She also noted, as set forth in the annual meeting memorandum, the Organic Contract requires the chair and vice chair to be members of the board. These were the two positions for which nominations would be received. The officer positions filled by management staff are traditionally retained and reaffirmed to meet the requirements of the Organic Contract. Vice chair Arndt asked if the board wanted to have discussion prior to nominations.

Nominations: Chair Hall nominated director Jeni Arndt to serve as chair. There were no other nominations for chair. Director Marsh nominated director Gary Hall for vice chair. There were no other nominations for vice chair.

Vice chair Arndt restated the nominations for clarity; Jeni Arndt for chair, Gary Hall for vice chair, and the staff members Angela Walsh for secretary, Sarah Leonard for assistant secretary, Dave Smalley for treasurer and Jason Frisbie for general manager/CEO.

Director Marr moved to approve Resolution No. 02-25; Annual Election of Officers as nominated. Director Marsh seconded. The motion carried 8-0.

b. Annual retirement committee appointments

Vice chair Arndt stated the present Defined Benefit Plan (DB Plan) retirement committee consists of the following members:

- Directors: Gary Hall, Darrell Hahn, Jacki Marsh and Jeni Arndt
- Management: Jason Frisbie and Dave Smalley

For 2025, no changes were proposed for management members.

Vice chair Arndt explained that the board needs to appoint four directors and two management members to the committee and opened the floor for nominations. If there were more than four nominations, a roll call vote would be called for each of the individuals nominated.

Nominations: Director Arndt nominated the current committee members to remain in place.

Vice chair Arndt restated the nominated DB Plan retirement committee members would consist of the four directors: Gary Hall, Darrell Hahn, Jacki Marsh and Jeni Arndt, and the two management members: Jason Frisbie and Dave Smalley.

Director Marsh moved to approve Resolution No. 03-25; Defined Benefit Plan Retirement Committee Appointments as nominated. Director Hall seconded. The motion carried 8-0.

c. 2024 Platte River year in review and year-end operations and financial reports

Mr. Frisbie introduced the year in review presentation, focusing on the Strategic Plan initiatives and core business highlights for 2024, reflecting the board's support and guidance throughout the year.

- Dave Smalley, chief financial officer and deputy general manager, presented the financial results for 2024 and summarized highlights from the finance division supporting organization-wide efforts to meet the Strategic Plan initiatives and core business operations.

Director Marr asked what contributes to the below-budget results for owner community energy and demand. Mr. Smalley responded slower load growth in owner communities and weather-related events contributed to lower energy usage in 2024. Mr. Frisbie discussed the utility directors forming a working group to work on load forecasting with the owner communities. Mr. Smalley reminded the board that a 5% rate increase was implemented in 2024, but owner communities using less energy combined with the blended rates can cause cities to pay more per megawatt hour. Discussion continued among directors and staff on electric efficiency in households, rooftop solar penetration and load forecasting as Platte River prepares to enter a full two-day market.

Director Bergsten emphasized that the positive deferred revenue balance will help offset future costs to system upgrades and delivering power to the owner communities. Mr. Smalley noted rate pressure from future capital investments with supply chain issues and inflation. Mr. Frisbie reflected on previous board action to switch from real-time rate increases to proactively smoothing rates and more accurate forecasting. Director Bergsten asked how long it took to accumulate the \$2.1 million in long-haul revenues. Mr. Smalley responded it took about three years.

- Travis Hunter, chief generation and transmission officer, presented the operational results for 2024 and summarized the achievements within the Strategic Plan initiatives of resource diversification planning and integration and workforce culture.

Director Hall asked what could happen if the Larimer County Board of County Commissioner does not approve the 1041 land use permit for the aeroderivative units. Mr. Frisbie shared a few thoughts if approval is not received. Discussion ensued among directors and staff regarding the March 10 Larimer County Planning Commission meeting. Directors commended the work staff has done so far with the Just Transition Plan and future planning for the workforce at Rawhide Energy Station.

- Melie Vincent, chief power supply officer, presented the 2024 results while operating in the Southwest Power Pool Western Energy Imbalance Service (SPP WEIS) market, including emission reductions associated with purchasing power from the market. She highlighted the major achievements within the Strategic Plan initiative of resource

diversification planning and integration.

Director Hahn commented on the carbon emission reductions experienced from operating in the market. Director Israel asked how carbon reductions are communicated from the SPP western regional transmission organization (RTO West). Ms. Vincent responded that monthly reporting shows the carbon resources used but acknowledged there is room to emphasize the accomplishments in a different way for everyone to be proud of. Discussion ensued among directors and staff regarding carbon emission accounting with SPP, buying from the market during high renewable energy output and market pricing, and further discussion on the Larimer County Planning Commission meeting from March 10.

- Mr. Weiss presented the Information Technology division's major achievements in supporting the Strategic Plan initiative of process management and coordination.
- Mr. Frisbie presented major achievements for the Business Strategies department for the Strategic Plan initiatives of community partnership and engagement and workforce culture.
- Mr. Frisbie summarized Platte River's achievement of the 2024 goals noted in the 2023 year-in-review presentation. He also outlined the goals for 2025. Director Peck requested more information on the Think!Energy program and thanked staff for their willingness to learn new technologies and listen to the communities. Director Marsh mentioned engaging with Loveland staff who worked to gain local support for the recent sales tax initiatives.

Vice chair Arndt closed the annual meeting portion of the agenda.

Break (10:42 a.m. - 10:52 a.m.)

Management presentations

3. Extending the Organic Contract and Power Supply Agreement revisions (presenters: Sarah Leonard and Dave Smalley)

Mr. Smalley presented the background and key elements of the power supply agreements (PSAs) that need updated to meet current and future needs and extending the Organic Contract to meet future bond issuance requirements.

Director Hall asked for an example of a "carve out" in the PSAs. Mr. Smalley provided an example of an owner community working with a third party to install a solar facility to sell energy to their customers, which would reduce their requirements from Platte River – this would not benefit the four owner communities and is considered a self-provided facility. Mr. Frisbie expanded on the misunderstanding of what the all-requirements aspect means and how the Resource Diversification Policy goals encourage all four communities to work together. Director

Israel asked what carve outs are currently within the owner communities. Mr. Frisbie responded that Loveland and Fort Collins currently have their own solar installations. Discussion ensued among directors and staff. Staff noted that residential solar and the virtual power plant transactions do not require a “carve out” in the PSAs. One goal is to add modern language to address those aspects in the PSAs and the Organic Contract, as well as clarifying the governance structure in the Organic Contract.

Director Hahn asked how the generation resources connected to the distribution substations will be addressed in the PSAs and how the distribution side will be managing the assets. Mr. Smalley clarified that the agreements should not prevent Platte River from doing projects that benefit the system as a whole.

Ms. Leonard discussed areas of focus in the Organic Contract and possible considerations for adjusting language to modernize the contract.

Director Israel asked when the last extension happened. Ms. Leonard responded that in 2019 the owner communities extended the Organic Contract to 2060. Mr. Frisbie noted that there were no modifications made to the Organic Contract based on the board’s approval of the Resource Diversification Policy, but it should be reflected. Mr. Smalley added that staff would like to extend the Organic Contract past 2070 for a future bond issuance in 2026.

Director Bergsten referred back to what Director Hahn mentioned and commented on power flow analysis and concerns with operating generation on the distribution side. Mr. Frisbie responded that a work group is being formed among the utility directors, along with owner community engineering teams, to assist with the analysis.

Ms. Leonard reviewed the timeline for owner community engagement, council and town board approval and board adoption. Vice chair Arndt asked what would happen if one council wants to change something in the PSA. Ms. Leonard responded that the circulation process would have to begin again to make sure all councils support the change. Mr. Frisbie added that coordination is planned with the city managers and town administrator, along with the mayors and city councils. Director Israel asked if the PSAs and the Organic Contract would move through the approval process at the same time. Ms. Leonard confirmed that both the Organic Contract and the PSAs would go to the councils for approval at the same time.

4. SPP RTO West implementation update (presenter: Jeremy Clark)

Skipped.

Management reports

5. General manager annual review process (presenter: Libby Clark)

Libby Clark, director of human resources and safety, previewed the general manager performance review process to take place during the March board meeting. She noted a survey

link and information packet will be sent to the board members following the February meeting.

Director Bergsten requested a review of the current Strategic Plan to address the virtual power plant and to incorporate fiber assets.

Monthly informational reports for January

6. Q4 performance dashboard (presenter: Jason Frisbie)

Mr. Frisbie summarized the fourth quarter performance dashboard for reliability, financial sustainability and environmental responsibility. He noted that, moving forward, the dashboard will reflect both a quarterly update as well as a year to date dashboard.

7. Operational health report (presenter: Travis Hunter)

Mr. Hunter highlighted operating results for January, noting that both owner community demand and energy were slightly above budget, although net variable cost to serve owner community energy was below budget by \$1.7 million. He noted the downward and upward pressures that impacted the net variable cost to serve owner community energy load. Director Hall asked how lower wind generation resulted in lower costs. Mr. Frisbie said that wind generation is more expensive, but we pay less when there is less to buy. Ms. Leonard added that the wind generation is through power purchase agreements and Platte River pays only for what it receives.

8. Financial health report (presenter: Dave Smalley)

Mr. Smalley highlighted financial results for January. Similar to the operating report, he noted the weather in January drove more energy demand from the owner communities, bringing in more revenue than anticipated, but also causing operating expenses to be over budget due to more coal generation and higher market purchase pricing.

9. Q4 organizational report (presenter: Jason Frisbie)

Mr. Frisbie highlighted the Chimney Hollow Reservoir dam nearing completion and mentioned that final interviews for the chief strategy officer will be conducted the first week of March. He mentioned that the February board meeting is his favorite meeting of the year, giving staff the time to reflect back on the accomplishments the board and Platte River achieved over the past year. He thanked the board for being collaborative and supportive of all Platte River's efforts.

Roundtable and strategic discussion topics

Directors provided updates from their individual communities.

Adjournment

With no further business, the meeting adjourned at 12:02 p.m. The next regular board meeting is scheduled for Thursday, March 27, 2025, at 9:00 a.m. either virtually or at Platte River Power Authority, 2000 E. Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this 27 day of March, 2025.


Secretary

Adopted: March 27, 2025
Vote: 8-0

